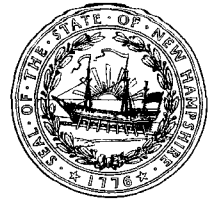




The State of New Hampshire  
**Department of Environmental Services**



Michael P. Nolin  
Commissioner

July 12, 2006

Jeffrey Chierepko  
Facilities Manager  
SIGARMS, Inc.  
18 Industrial Drive  
Exeter, New Hampshire 03833

**CERTIFIED MAIL (7005 1160 0004 7467 7212)**  
**RETURN RECEIPT REQUESTED**

**LETTER OF DEFICIENCY**  
**No. ARD 06-015**  
**(Sta.S.)**

Dear Mr. Chierepko:

On April 6, 2006, the New Hampshire Department of Environmental Services, Air Resources Division ("DES") conducted a compliance inspection at SIGARMS, Inc. ("SIGARMS"), 18 Industrial Drive, Exeter, New Hampshire. The purpose of the inspection was to determine SIGARMS's compliance status with NH Administrative Rules Env-A 100 *et seq.* The purpose of this Letter of Deficiency ("LOD") is to notify SIGARMS of the violation discovered during the inspection and to present the necessary action needed to resolve it. The specific violation is as follows:

1. Env-A 1400, *Regulated Toxic Air Pollutants*, requires the owner or operator of a facility that emits a regulated toxic air pollutant ("RTAP") to either demonstrate that the uncontrolled emissions of the RTAP do not exceed ambient air limits ("AALs"), as established in Env-A 1400, or apply for an air permit from DES that will limit emissions to ensure compliance with the AALs. If the owner or operator wants to demonstrate that the facility does not exceed any AALs so that a permit is not required, then a compliance demonstration must be performed in accordance with one of the methods provided in Env-A 1405. The owner or operator must retain documentation at the facility of that demonstration, as required by Env-A 1403.01(d), and provide it to DES upon request, as required by Env-A 1405.01(b).

Based on your operations as a gun manufacturer, SIGARMS may be emitting RTAPs such as lead, mineral oil, triethanolamine, and sodium hydroxide. SIGARMS does not hold a DES air permit. At the time of the compliance inspection, SIGARMS could not provide documentation of compliance with the AALs, as requested by the DES inspector, pursuant to Env-A 1405.01(b).

DES believes that SIGARMS can resolve this deficiency by taking the following actions:

- i. By **August 7, 2006**, SIGARMS shall submit to DES, documentation of compliance with the AALs.

ii. If SIGARMS finds that it is not in compliance with any of the AALs specified in Env-A 1450.01, it shall submit to DES by **September 7, 2006**, an application for a permit for the device or process that exceeds the AAL in accordance with Env-A 1403.01. The application shall include a description of the controls or process modifications that SIGARMS intends to use to comply with the AAL or a compliance plan that stipulates the actions with deadlines for performance that SIGARMS shall use to comply with the AAL.

In the event compliance is not achieved within the time period indicated, DES may initiate formal action against SIGARMS, including issuing an order requiring the deficiencies to be corrected, and/or referring this matter to the NH Department of Justice. DES reserves the right to pursue administrative fines for the violation noted above.

Please contact Patricia North, DES Air Toxics Manager, at (603) 271-0901, should you have any questions regarding the preparation of the RTAP compliance document.

If you believe that DES has cited this violation in error, or have any questions regarding this matter, please contact Barbara Hoffman at (603) 271-7874, Compliance Bureau, Air Resources Division. A current copy of the Air Resource Division rules can be obtained from the DES website at <http://www.des.state.nh.us/rules/air.htm>, or by contacting the Public Information Center at (603) 271-2975.

Sincerely,



Pamela G. Monroe  
Compliance Bureau Administrator  
Air Resources Division

PGM/blh

cc: R. Kurowski, EPA Region 1  
G. Hamel, NHDES Legal Unit  
Russell Dean, Exeter Town Manager  
AFS# 3301590889